

MACOMB TOWNSHIP ACT 345 FIRE RETIREMENT SYSTEM

POLICY RESOLUTION

Adopted: December 11, 2013

Revised: June 11, 2015

Re: Education and Travel Policy

WHEREAS, the Board of Trustees of the Macomb Township Act 345 Fire Retirement System (“Board”) is vested with the general administration, management, and operation of the Retirement System and has a fiduciary responsibility to make decisions solely in the interest of plan members and beneficiaries, and

WHEREAS, the Retirement System provides pension benefits to retirees in accordance with the provisions of Public Act 345 of 1937, as amended, applicable collective bargaining agreements, and state and federal laws, and

WHEREAS, the Board recognizes that it is subject to the provisions of the Public Employee Retirement System Investment Act, Michigan Public Act 314 of 1965, as amended (“Act 314”) [MCL 38.1132 *et seq.*], wherein the Board is required to act as a prudent investor in all transactions related to Retirement System funds and assets by discharging its duties solely in the interests of the participants and beneficiaries and shall act with the same care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a similar capacity and familiar with those matters would use in the conduct of a similar enterprise with similar aims; and with due regard for the management, reputation, and stability of the issuer and the character of the particular investments being considered, and

WHEREAS, Section 13(6) of Act 314 [MCL 38.1133(6)] recognizes that the Board may use a portion of the income of the Retirement System to defray the costs of professional training and education, including travel, directly related to the administration, operation and management of the Retirement System, and

WHEREAS, the Board recognizes that in order for the beneficiaries of the Retirement System to have the best representation by their elected and appointed Trustees, it is imperative for the representatives of the Retirement System to participate in Board business, including Board meetings, continuing education programs, and due diligence evaluations of current and potential investments, and

WHEREAS, the Board recognizes that, consistent with its fiduciary duty and liability, it is necessary and appropriate for Retirement System representatives to attend Board meetings and educational seminars/conferences so that the Board may be made aware of developments regarding Retirement System administration, and so that the Board may further become aware of how persons acting in a like capacity administer their respective retirement systems, and

WHEREAS, due to the fiduciary responsibilities entrusted to the Board, all Retirement System representatives are encouraged to participate in meetings of the Board and maintain educational levels consistent with established fiduciary responsibilities, and

WHEREAS, the Board is required to adopt an annual budget for professional training and

education expenses, including travel, and

WHEREAS, the Board desires to restate its policy and procedure regarding Trustee Education and Travel, now therefore be it

RESOLVED, that every year, at the second quarterly meeting, the Board shall adopt an annual education and travel budget in accordance with the requirements and limitations set forth in Act 314, and further

RESOLVED, that the Board hereby strongly recommends that each representative is encouraged and expected to attend pension related meetings/conferences/seminars on behalf of the Retirement System, and further

RESOLVED, that Retirement System representatives are encouraged to attend all meetings of the Board, and attend (one) conference(s) per year. Individuals wishing to attend additional conferences in a year shall request prior Board approval and provide a post conference report to the Board on topics covered, and further

RESOLVED, that Retirement System representatives who wish to attend a Michigan Association of Public Employees Retirement Systems (MAPERS) seminar/conference are pre-approved to attend provided the member has not attended a prior seminar/conference in which expenses were reimbursed for the budget year, and further

RESOLVED, seminar/conference expenses exceeding the Board member's allocation as defined in the ACT 345 Board Budget without prior Board approval shall be at personal expense, and further

RESOLVED, that for each seminar/conference request the following information shall be required: (1) the name of the traveler; (2) the title of the event, seminar, or conference; (3) location of the event, seminar, or conference; (4) the dates of travel; (5) name of hotel, number of nights, and daily rate; (6) registration fees; (7) mode of transportation; (8) cost of travel; (9) other expected incidental costs; (10) advance checks required, including to whom, amount, and reason for the check; (11) copy of promotional brochure for the event, seminar, or conference; and (12) reason for attendance at the event, seminar, or conference citing the benefits received or expected, and further

RESOLVED, that the following expenses will be reimbursed so long as proper documentation is provided to the Board within a reasonable time:

Registration:	Conference fees and actual registration charged by the conference shall be paid by the Retirement System.
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Transportation:	Individuals traveling on Retirement System business will utilize the most economical and efficient means of transportation. Use of a more expensive method of transportation other than the most economical and efficient, will be allowed only upon the approval of the Board
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Air fare must be jet coach fare. First class or business class will be allowed only where there is no other service available or an

urgency exists. Early arrival or Saturday travel is allowed where there is a net gain to the Retirement System.

Ground transportation/parking includes airport parking and transportation to and from the conference site and any transportation necessary to conduct Retirement System business. All individuals traveling to an out-of-state conferences may have a rental vehicle available, upon request and prior approval by the Board, for their use during the time period that they are approved for Board travel.

Lodging: Flat rate mileage will paid for use of a private vehicle as per the current Internal Revenue Service regulations, plus parking fees. Allowance for lodging will be at the lowest rate charged at the hotel facility housing the conference or seminar. If the conference facility upgrades the room rate, based on availability at the time of registration, the upgrade shall be at Board expense.

Individuals may upgrade room at personal expense.

Meals: Charges for meals shall be properly documented by either a hotel receipt or credit card voucher. Reimbursement for meals will follow the same schedule as listed in the Macomb Township Travel Expense Policy. ***No alcoholic beverages will be paid for at Board expense.***

Miscellaneous: Miscellaneous expenses incidental to Board travel shall be held to a minimum in accordance with essential and reasonable requirements for official conduct of Board business. Individuals will be reimbursed for any miscellaneous expenses that are incurred for the express purpose of Board business and shall include: local transportation (e.g., taxi, bus, subway), telephone calls, postage, tolls, parking. Expenses not allowed include: parking/moving violations, alcohol, entertainment, travel insurance, laundry, valet, or other personal services, repair and maintenance of personal vehicle.

Per Diem: Representatives may, upon Board pre-approval, receive a per diem amount based upon the rates established by the Internal Revenue Service for out-of-state business travel. Representatives may be reimbursed for additional amounts if actual expenses exceed the per diem rate.

Advance: An individual may draw an estimated amount of money in advance to cover the expected cost of the trip and expenses connected therewith by submitting an appropriate request in writing to the Board's secretary. Travel advances are limited to a maximum of \$50.00 per day.

Upgrades: Any upgrade above all established policy limits shall be at the individuals personal expense, unless otherwise allowed for and defined in this policy.

Expenses: It is preferred that the Board pre-pay any anticipated costs directly to the charging entity.

RESOLVED, that failure to provide proper documentation of an expense within 60 days may invalidate any claim for reimbursement and will prevent any future advances being provided, and further

RESOLVED, that all persons who attend a seminar or conference must earn an attendance or participatory certificate if the seminar or conference sponsor offers such a certificate. The failure to earn such a certificate may result in the particular attendee becoming ineligible to attend any further educational seminars and/or conferences, and further

RESOLVED, that any representative(s) who attends an educational seminar or conference shall be required to provide a brief report to the Board, at the next regular Board meeting following the educational seminar or conference, regarding the subject matter of the seminar or conference. The attendee(s) shall also provide the Board with the handout materials from the seminar or conference. Satisfaction of this requirement is a condition precedent to reimbursement of any expenses to the attendee. Failure to satisfy this requirement, and failure to earn an attendance or participatory certificate where the sponsor offers one, may obligate the attendee(s) to reimburse the Retirement System in full for any expenses advanced to the attendee(s), and further

RESOLVED, that in accordance with Act 314, the Board may utilize a portion of the Plan's investment earnings to pay for such expenses, and further

RESOLVED, that the Board acknowledges and understands that in the fulfillment of Retirement System responsibilities, an individual shall not suffer a loss because of absence from Township employment, and further

RESOLVED, that abuse of the foregoing policy, including falsifying expense reports to reflect costs not incurred, can be grounds for disciplinary action, including, but not limited to, removal from the Board, and further

RESOLVED, that the Board shall forward this policy resolution to the appropriate Township, Union, and Departmental Representatives.